

Exhibit B

SULLIVAN & CROMWELL LLP

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LOS ANGELES • PALO ALTO • WASHINGTON, D.C.

FRANKFURT • LONDON • PARIS

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MELBOURNE • SYDNEY

February 18, 2014

Via E-mail and Federal Express

James C. Justice II,
The Greenbrier,
300 W. Main Street,
White Sulphur Springs, WV 24986.

James C. Justice III,
James C. Justice Companies, Inc.,
302 Jefferson Street,
Roanoke, Virginia 24011.

Jillean L. Justice,
c/o James C. Justice II,
The Greenbrier,
300 W. Main Street,
White Sulphur Springs, WV 24986.

Steve Ball,
James C. Justice Companies, Inc.,
302 Jefferson Street,
Roanoke, Virginia 24011.

Re: *Mechel Bluestone, Inc. and Mechel Mining OAO v. James C. Justice Companies, Inc., James C. Justice II, James C. Justice III, Jillean L. Justice, and James C. Justice II, as Trustee of the James C. Justice II Grat No. 1, and of the James C. Justice II Grat No. 2*

Dear Jim, Jay, Jillean and Steve:

We are delighted that James C. Justice Companies, Inc., James C. Justice II, James C. Justice III and Jillean L. Justice (collectively, "Justice") have retained us for this matter. While we have discussed the work that all of us envision, we are required by applicable rules to establish at the outset a common understanding about the terms and conditions of our engagement.



Justice-0002076

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Scope of Services. We anticipate that we will be providing representation of all defendants in the action recently brought by Mechel Bluestone, Inc. and Mechel Mining OAO in Delaware Chancery Court, and related services that may be called for or requested as the work progresses. For the avoidance of doubt, the fee arrangement described below also includes and covers the *Lusk* case in West Virginia and any related litigation (meaning litigation about the same matters that are at issue in the case brought by Mechel in Delaware Chancery Court) now pending, threatened or hereafter filed in West Virginia, Delaware or any other venue in the U.S.A. involving Mechel Bluestone, Inc., Mechel Mining OAO, any other Mechel entity, or Weir International, Inc., and any other dispute involving any of those entities that may involve eventual litigation, or actually results in litigation, insofar as work and expenses in any such other litigation directly relate to and affect (a) fact issues, legal issues, testimony, documents, witnesses or other evidence relating to such Delaware litigation, or (b) the likelihood of success on the merits in any such Delaware litigation, or (c) the ultimate settlement value or potential damages or Recovery therein (collectively, the "Included Items"). Any services we perform in other matters ("Excluded Items") will be billed separately at Sullivan & Cromwell LLP's regular hourly rates (except for consultations on the Excluded Items to the extent such consultations relate directly to the *Mechel* action now pending in Delaware). For further avoidance of doubt, each of the matters described on Exhibit A hereto (and any similar matters) is an Excluded Item.

Fees and Expenses.

We have agreed as follows:

1. Justice has agreed to pay Sullivan & Cromwell LLP a non-refundable retainer in the amount of \$1 million. Justice has thus far paid Sullivan & Cromwell LLP \$125,000. Justice will pay Sullivan & Cromwell an additional \$875,000, on the following schedule.
 - a. \$285,000 by April 2, 2014;
 - b. \$290,000 by April 7, 2014; and
 - c. \$300,000 by April 11, 2014.
2. Throughout the pendency (including any appeals) of the Action, Justice will pay promptly -- i.e., within 30 days -- all S&C disbursements and all fees to third parties (e.g., experts, consultants, other law firms, local counsel, court reporters, videographers, etc.) With respect to fees of third parties, all such fees will be paid directly by Justice.
3. In the event that there is no Recovery, S&C receives nothing other than the amounts above.
4. If there is a Recovery in 2014, S&C will be paid 10% of the total Recovery less \$1 million. Except as otherwise provided in Section 6 below, such payment to S&C shall be made within ten (10) days of the Recovery.

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5. If there is a Recovery in 2015 or later, S&C will be paid 15% of the total Recovery less \$1 million. Except as otherwise provided in Section 6 below, such payment to S&C shall be made within ten (10) days of the Recovery.

6. For purposes of this letter, "Recovery" means the collected and collectible total of all money paid or to be paid or awarded to Justice, and all non-monetary components obtained by Justice, in any settlement of the Action or in any judgment or otherwise as a result of litigation. In calculating the S&C fee, Justice and S&C shall attempt to agree on the value of any non-monetary component. If the non-monetary component of any Recovery consists in whole or in substantial part of assets that cannot be monetized expeditiously, then Justice may elect to pay the portion of S&C's fee attributable to such non-monetary component over a period of 10 calendar quarters (*i.e.*, 30 months), in equal amounts per quarter and with interest on the value of the unpaid balance at 8% per annum. If all or a substantial part of the non-monetary component of any Recovery consists of consideration to be paid over time, Justice and S&C shall attempt to agree on a payment schedule that takes into account that fact. If no agreement can be reached on the items mentioned in this paragraph within 40 days of any Recovery, then the dispute shall be resolved expeditiously via binding arbitration in New York City before 3 arbitrators, all of whom shall be members of the New York bar, under the rules of the American Arbitration Association. Any dispute arising out of or relating to this Agreement shall be subject to a binding arbitration under the same terms.

Waivers and Confidentiality. Because of the types of clients Sullivan & Cromwell LLP (referred to herein, together with its affiliated firms, as "Sullivan & Cromwell," "we" or "us") advises and the types of engagements in which we are involved, we may be requested to act for other persons on other matters where the interests of the other persons may be adverse to Justice or its affiliates in this or other matters. As we have discussed, we are undertaking this engagement for Justice based upon its agreement that, to the extent permitted by law, this engagement, and any other engagements we may accept from Justice, will not preclude us from acting for others on matters (including mergers and acquisitions matters, negotiations, work-outs, bankruptcy proceedings or litigation) that are not substantially related to this or such other engagements, even though the interests of such persons may be adverse to Justice or its affiliates in this matter or in other matters.

Of course, this letter does not relieve us from our professional obligation to retain in confidence any confidential information obtained from Justice and to refrain from using or disclosing such information in connection with any other representation we may undertake. Provided that we adhere to these obligations, you agree that Justice will not assert that our possession of such information, even though it may relate to or be relevant to a matter in which we represent another client, prevents Sullivan & Cromwell from representing another of its clients. By the same token, to the extent permitted by applicable law or rules, you acknowledge that Sullivan & Cromwell may possess information derived from other client engagements that may be relevant or material to this engagement but that we will be prohibited by the rules in the applicable jurisdiction from disclosing such information to Justice, or using such information for Justice's benefit or to inform our advice to Justice.

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This will also confirm that we are acting solely for Justice, and that this engagement does not create an attorney-client or other relationship between Sullivan & Cromwell and any of Justice's affiliates or related entities or individuals who are not defendants in the above-captioned matter.

Payment of Fees and Expenses in Related Proceedings. Justice agrees to pay, to the extent permitted by law, our fees, and costs and expenses incurred, in connection with any inquiry, investigation, claim, action or other proceeding arising from or relating to this engagement or any other engagement we may accept from Justice (other than in connection with any claim, action or proceeding brought by Justice against us), including compensating Sullivan & Cromwell in accordance with our ordinary billing practices for time spent and expenses incurred in, for example, investigating claims, collecting and providing documents and information, or appearing as a witness pursuant to subpoena or otherwise. This clause is without prejudice to any rights to indemnification or contribution we may otherwise have.

Document Retention. At the completion of this engagement, Justice may request (subject to any attorney's lien to which we may be entitled) the return of any documents, discovery materials or other property obtained from Justice that are in our possession and the delivery to Justice of the client file generated in the course of the work. In the absence of such a request, we will generally retain in paper or electronic form important materials for a limited period of time that will vary based on the nature of the matter and materials and on the likelihood that Justice or we will need further access to them. When we decide not to retain materials relating to our engagement, we may destroy them without further notice to Justice. In general, we will feel free to destroy the client file beginning six years after our engagement on a particular matter ends and other materials sooner. For these purposes, the "client file" consists of all files, records and other written materials (excluding our internal communications) generated in the course of the engagement that are stored in our centralized records department, and does not include documents stored in individual lawyers' files, litigation discovery material and general email or other electronic correspondence files. If Justice requests that we deliver the client file or other materials to Justice, Justice agrees to pay our fees and costs incurred in gathering, reviewing and producing the requested materials. If you would like to discuss special retention needs, please contact me.

Termination. Justice is free to terminate our representation at any time (unless judicial approval is required for us to withdraw), subject to our right to fees as set forth above (whether or not the Recovery occurs before or after any termination). Subject to any applicable court rules, we may terminate our representation if Justice fails to honor the terms of our representation, including those terms set forth in this letter, or where termination is permitted or required by applicable rules. Our attorney-client relationship otherwise will end upon completion of the matter to which this engagement letter applies, or at such time as it reasonably appears that the need for our services in connection with the matter has ended, unless we agree to continue the representation on other matters.

James C. Justice II
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Choice of Law. This agreement shall be governed by and interpreted in accordance with the laws of the State of New York.

Arbitration. Any controversy or claim arising out of or relating to this agreement or our representation of Justice in this or any future matter, including but not limited to any fee dispute or claim for malpractice, negligence, breach of fiduciary duty, or breach of contract, shall be settled by arbitration in New York administered by the American Arbitration Association. The arbitration shall be conducted in English. The designated arbitrator(s) shall have the authority to award any and all relief that would otherwise be available in a court of law, and judgment on any award may be entered in any court of competent jurisdiction. The parties shall keep any such arbitration confidential and shall not disclose to any person, other than those necessary to the proceedings, the existence of the arbitration, any information, testimony or documents submitted during the arbitration or received from the other party, a witness or the arbitrator(s) in connection with the arbitration, and any award, unless and to the extent that disclosure is required by law or is necessary for permitted court proceedings, such as proceedings to recognize or enforce an award.

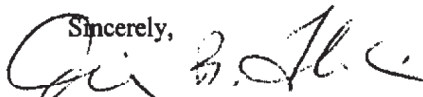
This arbitration clause means that Justice is forgoing its right to have any disputes that the clause covers resolved in a court of law and that it is forgoing any right to a jury. There are other differences between arbitration and court proceedings, and we encourage you to consult with separate counsel if you have any questions concerning this clause or any other matters in this letter.

In order to memorialize our understanding, please sign and return the duplicate copy of this letter that I have provided for that purpose.

James C. Justice II
James C. Justice III
Jillean L. Justice
Steve Ball

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Again, we are very pleased to have the opportunity to act for Justice on this matter.

Sincerely,

David B. Tulchin

Accepted:

1. James C. Justice Companies, Inc.

By: _____

Title: _____

2. James C. Justice II, for himself and as trustee

3. James C. Justice III

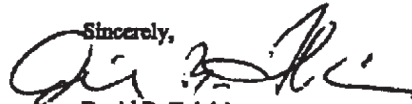
4. Jillean L. Justice

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James C. Justice III
Jillean L. Justice
Steve Ball

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Again, we are very pleased to have the opportunity to act for Justice on this matter.

Sincerely,



David B. Tulchin

Accepted:

1. James C. Justice Companies, Inc.

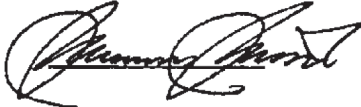
By: 

Title: VP Operations

2. James C. Justice II, for himself and as trustee



3. James C. Justice III



4. Jillean L. Justice

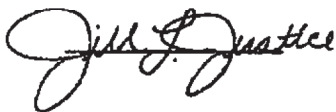


Exhibit A

Nonpayment for Portion of Drilling Program ("D.P."): The total cost of the drilling program was \$6,483,710. Mechel was contractually obligated to pay half of this sum (\$3,241,855) unto Justice. To date, Mechel has only paid \$1,393,374.08, leaving a balance of \$1,848,480.92 owed by Mechel for its share of D.P. expenses.

Outstanding Balance from October 2012 Payment: When Mechel Paid \$2,549,930.66 in October 2012, for various post-Closing "true-up" items, the parties agreed that the appropriate figure should have been \$2,574,754.42 for the specific items Mechel was paying. The difference of \$24,823.76 was agreed to be paid when the balance of such true-ups is settled.

Bluestone Energy Sales: In an effort to appease a relatively last-minute pre-Closing request from Mechel OAO that Bluestone Coal be relieved from sales obligations to Bluestone Energy, which possessed exclusive right to market and sell Bluestone Coal's production, Mr. Justice owned part of that entity and, essentially, had to purchase remaining ownership interest in Bluestone Energy to accommodate this request. In addition to outstanding bills owed to Bluestone Energy as of Closing, which Mechel inherited, Bluestone Coal had approximately 2.0 million tons of coal on which Bluestone Energy was entitled a commission. Mr. Justice has offered to accept \$1,006,388.74 to settle these matters although the buy-out ultimately cost him a lot more.

Carter Machinery: Justice agreed to pay an outstanding account with Carter Machinery in the amount of \$4.3 million related to the Closing. This sum included repairs to a Caterpillar 777B rock truck which was to be returned to Justice. The 777B was not returned to Justice, and the cost of repairs on the 777B exceeded \$800,000.

Tetra & Varilease Equipment: Bluestone owes Justice past due equipment lease payments in the amount of \$1,784,821.00 as well as the equipment purchase price of \$3.4 million because Bluestone agreed to purchase the equipment at the end of the lease term. Justice remains willing to permit Bluestone to purchase the equipment for a previously agreed upon purchase price of \$3.4 million (in spite of past due payments, which it also wants paid)

Bishop Loadout Disputes: (A) Mechel has defaulted under the Bishop Loadout Lease which originally was with Consol as the lessor. Justice acquired Consol's position, and is now Mechel's lessor. Mechel has defaulted by failing to pay several months rent, making rental payments well beyond the due date, and failing to pay rent on Non-Red Fox tons that have been loaded at the Bishop Loadout. The sum owed to Justice for these events of default totals \$919,736.00. This sum is offset by the amount of \$274,180.70 which represents 137,090.35 tons which Justice Low Seam has loaded using Mechel's loadout but not paid for. The net owed to Justice is thus \$645,550.30. (B) There have additionally been disputes as to whether certain prep plant construction by Justice has interfered with Mechel's loadout rights under its loadout lease. We have asserted that it has not. Mechel asserts it has. (C) An issue has arisen as to whether Mechel has missed its opportunity to renew its lease of the loadout. Justice has provided notice that the deadline for renewal has passed. Mechel disagrees. (D) Mechel has an obligation to load our coal onto trains at its Bishop loadout, but has been "slow-rolling" our coal, deliberately loading only one or two rail cars a day. It is absurd in our view, but they claim that is all they can do, and it is hurting our operations.

Nonpayment for Low Vol Coal: Bluestone owes Justice \$429,982.25 for low vol coal that was delivered but for which payment was never tendered. Additionally, Justice did not receive 6,000 tons of low vol coal that was cleaned by Bluestone but was to be returned to Justice pursuant to a washing fee agreement. The market value at the time exceeded \$180/ton, resulting in a gross value of \$1,080,000.

Nonpayment for Mid Vol Coal Delivered by Justice: On June 25, 2012, Justice delivered 6,354.72 tons to Mechel Bluestone at \$118.50/ton (\$753,034.32). This amount has never been paid.

Pinnacle Litigation: Mechel disconnected power to pumps in the Double Bonus mine that are required to run continuously. This has created a considerable obstacle in attempts to resolve pending (but pre-closing) litigation.

MTL Shares: Mr. Justice is owed Mechel shares as compensation for his portion of a settlement of an Arcelor Mital lawsuit. Mechel has refused to deliver the agreed-upon shares.

Peoples Bank, Fuel Purchases, and Healthcare Costs: The parties have agreed that Justice should reimburse Bluestone the amount of \$807,319.87 for fuel provided to Justice operations, health insurance provided to Justice employees, and payments made by Bluestone to People's Bank. All these items occurred after the May 2009 closing. In light of Mechel's tactics using the above "disputes" to try to pressure Justice into a D.P. settlement (and one on lower terms than is appropriate), Justice has withheld payment of these "true-up" items as a form of offset.